

*Long Term B*

## LONG-TERM HOG PROCUREMENT AGREEMENT

This Long-Term Hog Procurement Agreement ("Agreement") is made effective [REDACTED] by and between [REDACTED] and Hormel Foods Corporation, a Delaware corporation with its principal offices at 1 Hormel Place, Austin, Minnesota 55912 ("Hormel Foods").

### 1. TERM AND VOLUME.

- (a) Hormel Foods agrees to purchase from [REDACTED], and [REDACTED] agrees to sell to Hormel Foods, all of the market hog production from the following phases of the [REDACTED] expansion project:
- (1) Phase I, which shall consist of farrow to finish production facilities with a capacity of [REDACTED] sows and the hogs produced thereby, to be constructed in [REDACTED]
  - (2) Phase II, which shall consist of farrow to finish production facilities with a capacity of [REDACTED] sows and the hogs produced thereby, to be constructed in [REDACTED]
  - (3) If mutually agreed by the parties as provided below, Phase III, which shall consist of farrow to finish production facilities with a capacity of [REDACTED] sows and the hogs produced thereby;
  - (4) If mutually agreed by the parties as provided below, Phase IV, which shall consist of farrow to finish production facilities with a capacity of [REDACTED] sows and the hogs produced thereby; and
  - (5) If mutually agreed by the parties as provided below, Phase V, which shall consist of farrow to finish production facilities with a capacity of [REDACTED] sows and the hogs produced thereby.
- (b) Hormel Foods and [REDACTED] must mutually agree in writing to extend this Agreement to Phase III, Phase IV and Phase V in succession. [REDACTED] may at any time give Hormel Foods written notice of [REDACTED] desire to extend this Agreement to the next phase. Hormel Foods shall respond to such a notice, in its sole and absolute discretion, with a written denial of the requested extension or a written agreement to the requested extension, substantially in the form of Exhibit A. If [REDACTED] fails to request any extension or if Hormel Foods denies any extension, this Agreement shall nonetheless remain in effect for the phases previously agreed to by the parties.
- (c) Hormel Foods agrees to purchase from [REDACTED], and [REDACTED] agrees to sell to Hormel Foods, all of the market hog production from each phase of the [REDACTED] expansion project to which this Agreement applies for a period of ten (10) years from the date of delivery of the first hogs from each such phase, subject to extension pursuant to paragraph 5.(a) or 5.(b).

### 2. PRICE.

- (a) The "Guaranteed Price" shall be equal to:
- (1) For hogs delivered during the first and second years of each phase, the sum of the price per live cwt. determined based on costs of corn and soymeal as set forth in the attached Cost Allowance Matrix plus Eight Dollars (\$8.00) per live cwt.;

- (2) For hogs delivered during the third and fourth years of each phase, the sum of the price per live cwt. determined based on costs of corn and soymeal as set forth in the attached Cost Allowance Matrix plus Six Dollars (\$6.00) per live cwt.;
  - (3) For hogs delivered during the fifth and sixth years of each phase, the sum of the price per live cwt. determined based on costs of corn and soymeal as set forth in the attached Cost Allowance Matrix plus Four Dollars (\$4.00) per live cwt.;
  - (4) For hogs delivered during the seventh and eighth years of each phase, the sum of the price per live cwt. determined based on costs of corn and soymeal as set forth in the attached Cost Allowance Matrix plus Two Dollars (\$2.00) per live cwt.; and
  - (5) For hogs delivered during the ninth and tenth years of each phase and beyond, the price per live cwt. determined based on costs of corn and soymeal as set forth in the attached Cost Allowance Matrix.
  - (6) As shown in the Cost Allowance Matrix, costs will be subject to weekly changes based on an eight (8) week moving average of Omaha corn and Decatur/Central Illinois 44% soymeal prices. The Cost Allowance Matrix is for plant delivered hogs.
  - (7) In addition, all large producer premiums, if any, being paid by Hormel Foods to producers shall apply to the contracted hogs purchased from [REDACTED] under this Agreement and shall be paid to [REDACTED]
- (b) The Cost Allowance Matrix will not change during the contract term except if:
- (1) corn and soybean quotes are no longer reliable or indicative of actual corn and soymeal markets; or
  - (2) changes in production practices occur such as the use of Beta Agonist, PST, other feed additives or medications, implementation of new equipment or facilities or any other change which has an impact on production costs; or
  - (3) any other unpredictable circumstances that affect the Cost Allowance Matrix; or
  - (4) based upon a regular annual review by Hormel Foods, the Cost Allowance Matrix is determined to no longer accurately reflect hog production efficiencies and costs.
- (c) The Guaranteed Price will be used in connection with Hormel Foods' Grade & Yield program in effect at the time of delivery to determine the final amount to be paid to [REDACTED]. Grade & Yield premiums and discounts shall be paid to the [REDACTED] on the basis of the Market Price calculated in paragraph 2.(d). Hormel Foods and [REDACTED] may from time to time mutually agree upon a blended Guaranteed Price to be paid for all hogs purchased under this Agreement, regardless of the phases the hogs are from.
- (d) The "Market Price" shall be the average of the prior week's (Monday - Friday) daily 10:00 a.m. Hormel Foods' Grade & Yield plant delivered hog prices.
- (e) On a weekly basis, Hormel Foods shall determine its negative or positive cash position with [REDACTED] as follows:

- (1) Hormel Foods will compare the aggregate amount that Hormel Foods has paid to [REDACTED] for hogs purchased from [REDACTED] under this Agreement to the total market value, based on Market Prices, of those same hogs.
- (2) "Negative cash position" means that the aggregate amount that Hormel Foods has paid to [REDACTED] for hogs purchased from [REDACTED] under this Agreement exceeds the total market value, based on Market Prices, of those same hogs.
- (3) "Positive cash position" means that the aggregate amount that Hormel Foods has paid to [REDACTED] for hogs purchased from [REDACTED] under this Agreement is less than the total market value, based on Market Prices, of those same hogs.

### 3. HORMEL FOODS' OBLIGATIONS.

- (a) Hormel Foods agrees to pay [REDACTED] on a guaranteed basis as set forth in paragraph 2. for the entire term of the Agreement.
- (b) Inspection, sorting and weighing shall be performed by Hormel Foods at the plant. All hogs delivered under this Agreement must weigh at least two hundred twenty-five (225) pounds. No hogs shall be crippled, lame, sick, overfilled or otherwise unmerchantable at time of delivery. All hogs shall be priced per Hormel Foods' Grade & Yield Buying Program in effect at the time of delivery, which program is subject to change on thirty (30) days' written notice.
- (c) Hormel Foods shall keep all necessary records with respect to the receipt, weighing and payment of all hogs in accordance with its regular record retention and destruction schedule. At the present time, all scale tickets, P&L's and checks are retained for two (2) years. [REDACTED] may inspect such records during normal business hours at locations designated by Hormel Foods upon reasonable notice by [REDACTED] to Hormel Foods. Hormel Foods shall supply copies of such records as [REDACTED] may reasonably request at [REDACTED] expense.

### 4. [REDACTED] OBLIGATIONS.

- (a) All hogs delivered hereunder shall be top quality, healthy and wholesome. [REDACTED] must have in place a genetic program capable of producing lean, uniform sorted hogs that consistently meet Hormel Foods requirements.
- (b) [REDACTED] must have Hormel Foods' approved facilities to farrow and finish hogs year round. All hogs delivered hereunder from week to week must be uniform in size and numbers, and sold on Hormel Foods' Grade & Yield Buying Program. [REDACTED] agrees to arrange delivery with Hormel Foods Hog Procurement personnel by Friday of the week prior to delivery. Delivery days and times shall be determined by Hormel Foods, with delivery expected before 8:00 a.m. and/or after 5:00 p.m.
- (c) [REDACTED] hogs must be supervised by a licensed veterinarian and [REDACTED] must properly use any applicable drugs and adhere to required withdrawal procedures thereto. [REDACTED] must be on the Pork Quality Assurance Program, a HACCP program of America's Pork Producers. [REDACTED] must be at Level III of such Program or obtain Level III of such Program within six months of the date of this Agreement.
- (d) [REDACTED] must use an approved feeding program and Hormel Foods may inspect [REDACTED] hogs and facilities during reasonable business hours on reasonable notice

to [REDACTED]. The use of Hormel Foods' feed is not required, but the [REDACTED] agrees to listen objectively to Hormel Foods' feed presentations.

- (e) [REDACTED] must at all times be able to demonstrate its financial soundness to Hormel Foods and to provide evidence thereof upon the request of Hormel Foods. [REDACTED] must demonstrate at all times the ability to produce hogs in the quantity and of the quality required during the term of this Agreement. Hormel Foods shall have access to cost and financial records of [REDACTED] under this Agreement subject to reasonable notice from Hormel Foods to inspect during normal business hours. [REDACTED] must also use an approved cost and recordkeeping system.
- (f) [REDACTED] agrees to execute and deliver to Hormel Foods from time to time, as requested by Hormel Foods in its discretion, such security agreements, financing statements under the Uniform Commercial Code and other instruments as may be necessary or appropriate to grant Hormel Foods a security interest in tangible assets of [REDACTED]. The fair market value of such tangible assets shall be sufficient to secure [REDACTED] obligations under this Agreement and shall be at least equal to Hormel Foods' projected negative cash position with [REDACTED]. Such security interest shall be on written terms reasonably satisfactory to Hormel Foods.

## 5. OPTIONS TO EXTEND OR CONVERT CONTRACT.

- (a) If Hormel Foods is in a negative cash position with [REDACTED], as defined in paragraph 2.(e)(2), at the end of the initial ten-year term of this Agreement for any phase, then Hormel Foods may by written notice to [REDACTED] elect to extend the Agreement with respect to such phase until such time as Hormel Foods' negative cash position has been eliminated; provided that such extended term for such phase shall be no longer than five (5) years in any event. During the extended term of this Agreement for any phase, (1) Hormel Foods may terminate this Agreement with respect to such phase by written notice to [REDACTED] at any time Hormel Foods is in a negative cash position, and (2) [REDACTED] may terminate this Agreement with respect to such phase by written notice to Hormel Foods at any time by making a cash payment to Hormel Foods sufficient to eliminate Hormel Foods' negative cash position.
- (b) If Hormel Foods is in a positive cash position with [REDACTED], as defined in paragraph 2.(e)(3), at the end of the initial ten-year term of this Agreement for any phase, [REDACTED] may by written notice to Hormel Foods elect to extend the Agreement with respect to such phase until such time as Hormel Foods' positive cash position has been eliminated; provided that such extended term for such phase shall be no longer than five (5) years in any event. During the extended term of this Agreement for any phase, (1) [REDACTED] may terminate this Agreement with respect to such phase by written notice to Hormel Foods at any time Hormel Foods is in a positive cash position, and (2) [REDACTED] may terminate this Agreement with respect to such phase by written notice to Hormel Foods at any time by making a cash payment to Hormel Foods sufficient to eliminate Hormel Foods' negative cash position.
- (c) The provisions in paragraphs 5.(a) and 5.(b) are subject to the following restrictions:
  - (1) Any extension to the Agreement beyond the initial ten-year term for the last phase to which this Agreement applies shall be governed by the terms of the basic Long-Term Hog Procurement Agreement being offered by Hormel Foods at the time of the extension or, if there is no such agreement being offered by Hormel Foods at that time, by the terms of the basic Long-Term Hog Procurement Agreement most recently offered by Hormel Foods at the time of the extension; and

- (2) Hormel Foods reserves the right to terminate its Long-Term Procurement program in its entirety at any time after the initial contract term has ended for any phase, and upon such a termination any extension previously made under paragraph 5.(a) or 5.(b) for any phase shall likewise be terminated, and the parties shall be released from any further obligation to participate in the program with respect to such phase.
- (d) At any time when Hormel Foods is even with [REDACTED] or in a positive cash position with [REDACTED], as defined in paragraph 2.(e)(3), then [REDACTED] may by written notice to Hormel Foods elect to convert this Agreement to the Hormel Foods Corporation Long-Term Hog Procurement Agreement I ("Agreement I"), a copy of which is attached as Exhibit B. The positive cash position under this Agreement shall carry over to such Agreement I. The term and volume commitments in paragraph 1 of this Agreement, including without limitation the extension to additional phases, shall continue in Agreement I. In addition, the options to extend Agreement I under paragraph 5.(a) and 5.(b) thereof shall continue to apply to each phase.
6. **DEFAULT.** If [REDACTED] defaults in its obligation to deliver hogs in the quantity and of the quality required hereunder, or if [REDACTED] otherwise breaches this Agreement in any way, [REDACTED] shall indemnify and hold Hormel Foods harmless against any losses, claims or lawsuits caused by said default or breach. Hormel Foods shall be entitled to offset any losses under this provision against any amounts due and owing to [REDACTED] until such unpaid costs have been satisfied.
7. **NO SECURITY INTERESTS OR LIENS IN HOGS.** [REDACTED] hereby represents to Hormel Foods that all hogs delivered under this Agreement are free and clear of all security interests and liens of any kind whatsoever, except as specifically provided in a written notice given to Hormel Foods at least thirty (30) days prior to delivery. In the event hogs delivered under this Agreement are subject to any security interest or lien, Hormel Foods may make payments jointly to [REDACTED] and the secured party or lien holder.
8. **VOLUNTARY AGREEMENT; NO GUARANTEE OF PROFIT.** [REDACTED] acknowledges that it has voluntarily entered into this Agreement on its own accord and that it has had adequate opportunity to consult with its own attorney and accountant regarding all legal, accounting and tax consequences relating to this Agreement. [REDACTED] acknowledges that Hormel Foods and its agents make no representation or guarantee of any kind whatsoever regarding the profitability of this Agreement to [REDACTED].
9. **CONFIDENTIALITY.** Hormel Foods and [REDACTED] agree to keep the existence of this Agreement and all of its terms, including without limitation the price of hogs, in strict confidence.
10. **FORCE MAJEURE.** Neither party shall be liable for damages due to delay or failure to perform any obligation under this Agreement if such delay or failure results directly or indirectly from acts of war, civil commotions, riots, strikes, lockouts, acts of any government or governmental authority, interference in telephone communications, fire, flood, windstorms, or other acts of God, or any cause of a like or different kind beyond the reasonable control of such party.
11. **TERMINATION.** This Agreement is subject to termination by Hormel Foods in the event of a default or at any time if Hormel Foods discontinues the slaughtering of hogs.
12. **WAIVER.** The failure of either party to enforce any of the provisions of this Agreement, or to exercise any option which is herein provided, or to require at any time performance by the other party of any of the provisions hereof, shall in

no way be construed to be a waiver of such provisions, nor in any way affect the validity of this Agreement or any part thereof, or the right of either party to thereafter enforce each and every such provision.

13. **LIMIT OF AUTHORITY.** Except as provided in this Agreement, it is agreed that neither party is in any way the legal representative or agent of the other party for any purpose whatsoever. Neither party has the right or authority to assume or create any obligation of any kind, expressed or implied, on behalf of the other party.
14. **NONEXCLUSIVITY.** This Agreement shall not be exclusive to [REDACTED] but instead may be offered by Hormel Foods to other qualified, like-situated producers in Hormel Foods' buying area.
15. **SUCCESSOR RESPONSIBILITY.** Any assignment, sale or transfer of [REDACTED] interests in its hog farming operation must include notice to the assignee that the assignment/transfer is subject to the terms and conditions of the Long-Term Hog Procurement Agreement with Hormel Foods, and a copy of this Agreement shall be provided to the assignee. The obligations of this provision shall also apply with equal force to the transfer of [REDACTED] interests to his or her heirs, whether as a result of death, disability or for any other reason.
16. **ENTIRE AGREEMENT; AMENDMENT.** This Agreement constitutes the entire agreement among the parties and supersedes any prior oral or written agreement or understanding between them with respect to the subject matter hereof. This Agreement may not be amended or supplemented except by a writing signed by both of the parties.
17. **GOVERNING LAW.** This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Minnesota without regard to conflict of laws principles.
18. **AUTHORIZATION.** [REDACTED] represents and warrants to Hormel Foods that [REDACTED] has taken all necessary action to duly authorize the execution, delivery and performance of this Agreement. The undersigned individual executing this Agreement on behalf of [REDACTED] certifies that he is duly authorized to execute this Agreement on behalf of [REDACTED].
19. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one document.
20. **PERSONAL GUARANTY.** All obligations of [REDACTED] under this Agreement shall be personally guaranteed by all of the shareholders of [REDACTED] and by [REDACTED], each of whom must execute and deliver to Hormel Foods a Guaranty of Performance substantially in the form attached hereto as Exhibit C.

IN WITNESS WHEREOF, the parties have executed the Agreement effective the day and year first above written.

HORMEL FOODS CORPORATION  
"HORMEL FOODS"

By: [REDACTED]

By: [REDACTED]

# Cost Allowance Matrix -- \$ per Live Cwt.

## PLANT DELIVERED HOGS

05/09/96

Use 8 week moving average of Omaha Corn, round to closest \$0.10/bu.

Use 8 week moving average of Decatur/Central Ill. meal, round to closest \$10.00 per ton.

### 44% Soymeal

Corn	\$130	\$140	\$150	\$160	\$170	\$180	\$190	\$200	\$210	\$220	\$230	\$240	\$250	\$260	\$270	\$280	\$290	\$300
\$1.40	\$31.40	\$31.80	\$32.20	\$32.60	\$33.00	\$33.40	\$33.80	\$34.20	\$34.60	\$35.00	\$35.40	\$35.80	\$36.20	\$36.60	\$37.00	\$37.40	\$37.80	\$38.20
\$1.50	\$31.90	\$32.30	\$32.70	\$33.10	\$33.50	\$33.90	\$34.30	\$34.70	\$35.10	\$35.50	\$35.90	\$36.30	\$36.70	\$37.10	\$37.50	\$37.90	\$38.30	\$38.70
\$1.60	\$32.40	\$32.80	\$33.20	\$33.60	\$34.00	\$34.40	\$34.80	\$35.20	\$35.60	\$36.00	\$36.40	\$36.80	\$37.20	\$37.60	\$38.00	\$38.40	\$38.80	\$39.20
\$1.70	\$32.90	\$33.30	\$33.70	\$34.10	\$34.50	\$34.90	\$35.30	\$35.70	\$36.10	\$36.50	\$36.90	\$37.30	\$37.70	\$38.10	\$38.50	\$38.90	\$39.30	\$39.70
\$1.80	\$33.40	\$33.80	\$34.20	\$34.60	\$35.00	\$35.40	\$35.80	\$36.20	\$36.60	\$37.00	\$37.40	\$37.80	\$38.20	\$38.60	\$39.00	\$39.40	\$39.80	\$40.20
\$1.90	\$33.90	\$34.30	\$34.70	\$35.10	\$35.50	\$35.90	\$36.30	\$36.70	\$37.10	\$37.50	\$37.90	\$38.30	\$38.70	\$39.10	\$39.50	\$39.90	\$40.30	\$40.70
\$2.00	\$34.40	\$34.80	\$35.20	\$35.60	\$36.00	\$36.40	\$36.80	\$37.20	\$37.60	\$38.00	\$38.40	\$38.80	\$39.20	\$39.60	\$40.00	\$40.40	\$40.80	\$41.20
\$2.10	\$34.90	\$35.30	\$35.70	\$36.10	\$36.50	\$36.90	\$37.30	\$37.70	\$38.10	\$38.50	\$38.90	\$39.30	\$39.70	\$40.10	\$40.50	\$40.90	\$41.30	\$41.70
\$2.20	\$35.40	\$35.80	\$36.20	\$36.60	\$37.00	\$37.40	\$37.80	\$38.20	\$38.60	\$39.00	\$39.40	\$39.80	\$40.20	\$40.60	\$41.00	\$41.40	\$41.80	\$42.20
\$2.30	\$35.90	\$36.30	\$36.70	\$37.10	\$37.50	\$37.90	\$38.30	\$38.70	\$39.10	\$39.50	\$39.90	\$40.30	\$40.70	\$41.10	\$41.50	\$41.90	\$42.30	\$42.70
\$2.40	\$36.40	\$36.80	\$37.20	\$37.60	\$38.00	\$38.40	\$38.80	\$39.20	\$39.60	\$40.00	\$40.40	\$40.80	\$41.20	\$41.60	\$42.00	\$42.40	\$42.80	\$43.20
\$2.50	\$36.90	\$37.30	\$37.70	\$38.10	\$38.50	\$38.90	\$39.30	\$39.70	\$40.10	\$40.50	\$40.90	\$41.30	\$41.70	\$42.10	\$42.50	\$42.90	\$43.30	\$43.70
\$2.60	\$37.40	\$37.80	\$38.20	\$38.60	\$39.00	\$39.40	\$39.80	\$40.20	\$40.60	\$41.00	\$41.40	\$41.80	\$42.20	\$42.60	\$43.00	\$43.40	\$43.80	\$44.20
\$2.70	\$37.90	\$38.30	\$38.70	\$39.10	\$39.50	\$39.90	\$40.30	\$40.70	\$41.10	\$41.50	\$41.90	\$42.30	\$42.70	\$43.10	\$43.50	\$43.90	\$44.30	\$44.70
\$2.80	\$38.40	\$38.80	\$39.20	\$39.60	\$40.00	\$40.40	\$40.80	\$41.20	\$41.60	\$42.00	\$42.40	\$42.80	\$43.20	\$43.60	\$44.00	\$44.40	\$44.80	\$45.20
\$2.90	\$38.90	\$39.30	\$39.70	\$40.10	\$40.50	\$40.90	\$41.30	\$41.70	\$42.10	\$42.50	\$42.90	\$43.30	\$43.70	\$44.10	\$44.50	\$44.90	\$45.30	\$45.70
\$3.00	\$39.40	\$39.80	\$40.20	\$40.60	\$41.00	\$41.40	\$41.80	\$42.20	\$42.60	\$43.00	\$43.40	\$43.80	\$44.20	\$44.60	\$45.00	\$45.40	\$45.80	\$46.20
\$3.10	\$39.90	\$40.30	\$40.70	\$41.10	\$41.50	\$41.90	\$42.30	\$42.70	\$43.10	\$43.50	\$43.90	\$44.30	\$44.70	\$45.10	\$45.50	\$45.90	\$46.30	\$46.70
\$3.20	\$40.40	\$40.80	\$41.20	\$41.60	\$42.00	\$42.40	\$42.80	\$43.20	\$43.60	\$44.00	\$44.40	\$44.80	\$45.20	\$45.60	\$46.00	\$46.40	\$46.80	\$47.20
\$3.30	\$40.90	\$41.30	\$41.70	\$42.10	\$42.50	\$42.90	\$43.30	\$43.70	\$44.10	\$44.50	\$44.90	\$45.30	\$45.70	\$46.10	\$46.50	\$46.90	\$47.30	\$47.70
\$3.40	\$41.40	\$41.80	\$42.20	\$42.60	\$43.00	\$43.40	\$43.80	\$44.20	\$44.60	\$45.00	\$45.40	\$45.80	\$46.20	\$46.60	\$47.00	\$47.40	\$47.80	\$48.20
\$3.50	\$41.90	\$42.30	\$42.70	\$43.10	\$43.50	\$43.90	\$44.30	\$44.70	\$45.10	\$45.50	\$45.90	\$46.30	\$46.70	\$47.10	\$47.50	\$47.90	\$48.30	\$48.70
\$3.60	\$42.40	\$42.80	\$43.20	\$43.60	\$44.00	\$44.40	\$44.80	\$45.20	\$45.60	\$46.00	\$46.40	\$46.80	\$47.20	\$47.60	\$48.00	\$48.40	\$48.80	\$49.20
\$3.70	\$42.90	\$43.30	\$43.70	\$44.10	\$44.50	\$44.90	\$45.30	\$45.70	\$46.10	\$46.50	\$46.90	\$47.30	\$47.70	\$48.10	\$48.50	\$48.90	\$49.30	\$49.70
\$3.80	\$43.40	\$43.80	\$44.20	\$44.60	\$45.00	\$45.40	\$45.80	\$46.20	\$46.60	\$47.00	\$47.40	\$47.80	\$48.20	\$48.60	\$49.00	\$49.40	\$49.80	\$50.20
\$3.90	\$43.90	\$44.30	\$44.70	\$45.10	\$45.50	\$45.90	\$46.30	\$46.70	\$47.10	\$47.50	\$47.90	\$48.30	\$48.70	\$49.10	\$49.50	\$49.90	\$50.30	\$50.70
\$4.00	\$44.40	\$44.80	\$45.20	\$45.60	\$46.00	\$46.40	\$46.80	\$47.20	\$47.60	\$48.00	\$48.40	\$48.80	\$49.20	\$49.60	\$50.00	\$50.40	\$50.80	\$51.20
\$4.10	\$44.90	\$45.30	\$45.70	\$46.10	\$46.50	\$46.90	\$47.30	\$47.70	\$48.10	\$48.50	\$48.90	\$49.30	\$49.70	\$50.10	\$50.50	\$50.90	\$51.30	\$51.70
\$4.20	\$45.40	\$45.80	\$46.20	\$46.60	\$47.00	\$47.40	\$47.80	\$48.20	\$48.60	\$49.00	\$49.40	\$49.80	\$50.20	\$50.60	\$51.00	\$51.40	\$51.80	\$52.20
\$4.30	\$45.90	\$46.30	\$46.70	\$47.10	\$47.50	\$47.90	\$48.30	\$48.70	\$49.10	\$49.50	\$49.90	\$50.30	\$50.70	\$51.10	\$51.50	\$51.90	\$52.30	\$52.70
\$4.40	\$46.40	\$46.80	\$47.20	\$47.60	\$48.00	\$48.40	\$48.80	\$49.20	\$49.60	\$50.00	\$50.40	\$50.80	\$51.20	\$51.60	\$52.00	\$52.40	\$52.80	\$53.20
\$4.50	\$46.90	\$47.30	\$47.70	\$48.10	\$48.50	\$48.90	\$49.30	\$49.70	\$50.10	\$50.50	\$50.90	\$51.30	\$51.70	\$52.10	\$52.50	\$52.90	\$53.30	\$53.70
\$4.60	\$47.40	\$47.80	\$48.20	\$48.60	\$49.00	\$49.40	\$49.80	\$50.20	\$50.60	\$51.00	\$51.40	\$51.80	\$52.20	\$52.60	\$53.00	\$53.40	\$53.80	\$54.20
\$4.70	\$47.90	\$48.30	\$48.70	\$49.10	\$49.50	\$49.90	\$50.30	\$50.70	\$51.10	\$51.50	\$51.90	\$52.30	\$52.70	\$53.10	\$53.50	\$53.90	\$54.30	\$54.70
\$4.80	\$48.40	\$48.80	\$49.20	\$49.60	\$50.00	\$50.40	\$50.80	\$51.20	\$51.60	\$52.00	\$52.40	\$52.80	\$53.20	\$53.60	\$54.00	\$54.40	\$54.80	\$55.20

# Cost Allowance Matrix --- \$ per Carcass Cwt.

## PLANT DELIVERED HOGS

Use 8 week moving average of Omaha Corn, round to closest \$0.10/bu.

Use 8 week moving average of Decatur/Central Ill. meal, round to closest \$10.00 per ton.

For corn and soy meal prices outside the range of this matrix a \$0.10 change in corn changes the matrix value by \$0.68 and a \$10.00 change in meal changes the matrix value \$0.55.

## 44% Soy meal

Corn	\$130	\$140	\$150	\$160	\$170	\$180	\$190	\$200	\$210	\$220	\$230	\$240	\$250	\$260	\$270	\$280	\$290	\$300
\$1.40	\$43.01	\$43.56	\$44.11	\$44.66	\$45.21	\$45.75	\$46.30	\$46.85	\$47.40	\$47.95	\$48.49	\$49.04	\$49.59	\$50.14	\$50.68	\$51.23	\$51.78	\$52.33
\$1.50	\$43.70	\$44.25	\$44.79	\$45.34	\$45.89	\$46.44	\$46.99	\$47.53	\$48.08	\$48.63	\$49.18	\$49.73	\$50.27	\$50.82	\$51.37	\$51.92	\$52.47	\$53.01
\$1.60	\$44.38	\$44.93	\$45.48	\$46.03	\$46.58	\$47.12	\$47.67	\$48.22	\$48.77	\$49.32	\$49.86	\$50.41	\$50.96	\$51.51	\$52.05	\$52.60	\$53.15	\$53.70
\$1.70	\$45.07	\$45.62	\$46.16	\$46.71	\$47.26	\$47.81	\$48.36	\$48.90	\$49.45	\$50.00	\$50.55	\$51.10	\$51.64	\$52.19	\$52.74	\$53.29	\$53.84	\$54.38
\$1.80	\$45.75	\$46.30	\$46.85	\$47.40	\$47.95	\$48.50	\$49.04	\$49.59	\$50.14	\$50.68	\$51.23	\$51.78	\$52.33	\$52.88	\$53.42	\$53.97	\$54.52	\$55.07
\$1.90	\$46.44	\$46.99	\$47.53	\$48.08	\$48.63	\$49.18	\$49.73	\$50.27	\$50.82	\$51.37	\$51.92	\$52.47	\$53.01	\$53.56	\$54.11	\$54.66	\$55.21	\$55.75
\$2.00	\$47.12	\$47.67	\$48.22	\$48.77	\$49.32	\$49.86	\$50.41	\$50.96	\$51.51	\$52.05	\$52.60	\$53.15	\$53.70	\$54.25	\$54.79	\$55.34	\$55.89	\$56.44
\$2.10	\$47.81	\$48.36	\$48.90	\$49.45	\$50.00	\$50.55	\$51.10	\$51.64	\$52.19	\$52.74	\$53.29	\$53.84	\$54.38	\$54.93	\$55.48	\$56.03	\$56.58	\$57.12
\$2.20	\$48.49	\$49.04	\$49.59	\$50.14	\$50.68	\$51.23	\$51.78	\$52.33	\$52.88	\$53.42	\$53.97	\$54.52	\$55.07	\$55.62	\$56.16	\$56.71	\$57.26	\$57.81
\$2.30	\$49.18	\$49.73	\$50.27	\$50.82	\$51.37	\$51.92	\$52.47	\$53.01	\$53.56	\$54.11	\$54.66	\$55.21	\$55.75	\$56.30	\$56.85	\$57.40	\$57.95	\$58.49
\$2.40	\$49.86	\$50.41	\$50.96	\$51.51	\$52.05	\$52.60	\$53.15	\$53.70	\$54.25	\$54.79	\$55.34	\$55.89	\$56.44	\$56.99	\$57.53	\$58.08	\$58.63	\$59.18
\$2.50	\$50.55	\$51.10	\$51.64	\$52.19	\$52.74	\$53.29	\$53.84	\$54.38	\$54.93	\$55.48	\$56.03	\$56.58	\$57.12	\$57.67	\$58.22	\$58.77	\$59.32	\$59.86
\$2.60	\$51.23	\$51.78	\$52.33	\$52.88	\$53.42	\$53.97	\$54.52	\$55.07	\$55.62	\$56.16	\$56.71	\$57.26	\$57.81	\$58.36	\$58.90	\$59.45	\$60.00	\$60.55
\$2.70	\$51.92	\$52.47	\$53.01	\$53.56	\$54.11	\$54.66	\$55.21	\$55.75	\$56.30	\$56.85	\$57.40	\$57.95	\$58.49	\$59.04	\$59.59	\$60.14	\$60.68	\$61.23
\$2.80	\$52.60	\$53.15	\$53.70	\$54.25	\$54.79	\$55.34	\$55.89	\$56.44	\$56.99	\$57.53	\$58.08	\$58.63	\$59.18	\$59.73	\$60.27	\$60.82	\$61.37	\$61.92
\$2.90	\$53.29	\$53.84	\$54.38	\$54.93	\$55.48	\$56.03	\$56.58	\$57.12	\$57.67	\$58.22	\$58.77	\$59.32	\$59.86	\$60.41	\$60.96	\$61.51	\$62.05	\$62.60
\$3.00	\$53.97	\$54.52	\$55.07	\$55.62	\$56.16	\$56.71	\$57.26	\$57.81	\$58.36	\$58.90	\$59.45	\$60.00	\$60.55	\$61.10	\$61.64	\$62.19	\$62.74	\$63.29
\$3.10	\$54.66	\$55.21	\$55.75	\$56.30	\$56.85	\$57.40	\$57.95	\$58.49	\$59.04	\$59.59	\$60.14	\$60.68	\$61.23	\$61.78	\$62.33	\$62.88	\$63.42	\$63.97
\$3.20	\$55.34	\$55.89	\$56.44	\$56.99	\$57.53	\$58.08	\$58.63	\$59.18	\$59.73	\$60.27	\$60.82	\$61.37	\$61.92	\$62.47	\$63.01	\$63.56	\$64.11	\$64.66
\$3.30	\$56.03	\$56.58	\$57.12	\$57.67	\$58.22	\$58.77	\$59.32	\$59.86	\$60.41	\$60.96	\$61.51	\$62.05	\$62.60	\$63.15	\$63.70	\$64.25	\$64.79	\$65.34
\$3.40	\$56.71	\$57.26	\$57.81	\$58.36	\$58.90	\$59.45	\$60.00	\$60.55	\$61.10	\$61.64	\$62.19	\$62.74	\$63.29	\$63.84	\$64.38	\$64.93	\$65.48	\$66.03
\$3.50	\$57.40	\$57.95	\$58.49	\$59.04	\$59.59	\$60.14	\$60.68	\$61.23	\$61.78	\$62.33	\$62.88	\$63.42	\$63.97	\$64.52	\$65.07	\$65.62	\$66.16	\$66.71
\$3.60	\$58.08	\$58.63	\$59.18	\$59.73	\$60.27	\$60.82	\$61.37	\$61.92	\$62.47	\$63.01	\$63.56	\$64.11	\$64.66	\$65.21	\$65.75	\$66.30	\$66.85	\$67.40
\$3.70	\$58.77	\$59.32	\$59.86	\$60.41	\$60.96	\$61.51	\$62.05	\$62.60	\$63.15	\$63.70	\$64.25	\$64.79	\$65.34	\$65.89	\$66.44	\$66.99	\$67.53	\$68.08
\$3.80	\$59.45	\$60.00	\$60.55	\$61.10	\$61.64	\$62.19	\$62.74	\$63.29	\$63.84	\$64.38	\$64.93	\$65.48	\$66.03	\$66.58	\$67.12	\$67.67	\$68.22	\$68.77
\$3.90	\$60.14	\$60.68	\$61.23	\$61.78	\$62.33	\$62.88	\$63.42	\$63.97	\$64.52	\$65.07	\$65.62	\$66.16	\$66.71	\$67.26	\$67.81	\$68.36	\$68.90	\$69.45
\$4.00	\$60.82	\$61.37	\$61.92	\$62.47	\$63.01	\$63.56	\$64.11	\$64.66	\$65.21	\$65.75	\$66.30	\$66.85	\$67.40	\$67.95	\$68.49	\$69.04	\$69.59	\$70.14
\$4.10	\$61.51	\$62.05	\$62.60	\$63.15	\$63.70	\$64.25	\$64.79	\$65.34	\$65.89	\$66.44	\$66.99	\$67.53	\$68.08	\$68.63	\$69.18	\$69.73	\$70.27	\$70.82
\$4.20	\$62.19	\$62.74	\$63.29	\$63.84	\$64.38	\$64.93	\$65.48	\$66.03	\$66.58	\$67.12	\$67.67	\$68.22	\$68.77	\$69.32	\$69.86	\$70.41	\$70.96	\$71.51
\$4.30	\$62.88	\$63.42	\$63.97	\$64.52	\$65.07	\$65.62	\$66.16	\$66.71	\$67.26	\$67.81	\$68.36	\$68.90	\$69.45	\$70.00	\$70.55	\$71.10	\$71.64	\$72.19
\$4.40	\$63.56	\$64.11	\$64.66	\$65.21	\$65.75	\$66.30	\$66.85	\$67.40	\$67.95	\$68.49	\$69.04	\$69.59	\$70.14	\$70.68	\$71.23	\$71.78	\$72.33	\$72.88
\$4.50	\$64.25	\$64.79	\$65.34	\$65.89	\$66.44	\$66.99	\$67.53	\$68.08	\$68.63	\$69.18	\$69.73	\$70.27	\$70.82	\$71.37	\$71.92	\$72.47	\$73.01	\$73.56
\$4.60	\$64.93	\$65.48	\$66.03	\$66.58	\$67.12	\$67.67	\$68.22	\$68.77	\$69.32	\$69.86	\$70.41	\$70.96	\$71.51	\$72.05	\$72.60	\$73.15	\$73.70	\$74.25
\$4.70	\$65.62	\$66.16	\$66.71	\$67.26	\$67.81	\$68.36	\$68.90	\$69.45	\$70.00	\$70.55	\$71.10	\$71.64	\$72.19	\$72.74	\$73.29	\$73.84	\$74.38	\$74.93
\$4.80	\$66.30	\$66.85	\$67.40	\$67.95	\$68.49	\$69.04	\$69.59	\$70.14	\$70.68	\$71.23	\$71.78	\$72.33	\$72.88	\$73.42	\$73.97	\$74.52	\$75.07	\$75.62